

Annual Planning Information and Workforce Analysis Reports: Detroit Metro

State of Michigan

Department of Technology, Management and Budget

Bureau of Labor Market Information and Strategic Initiatives

Regional Contact:

Evan Cunningham & Dalia Salloum

313-456-1764 & 313-456-3075

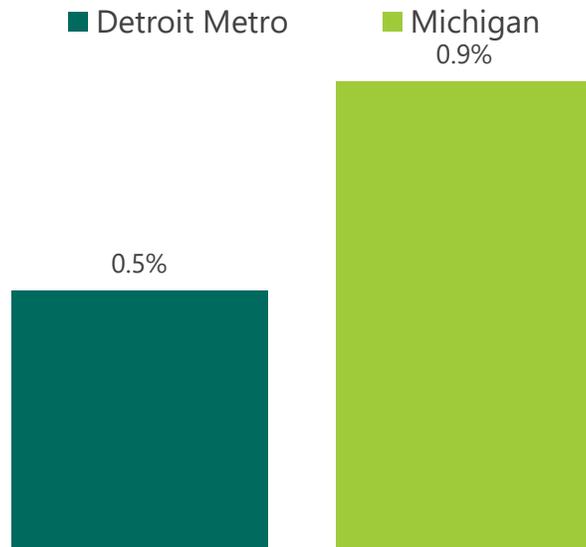
cunninghame1@michigan.gov & salloumd@michigan.gov

Population Trends and Characteristics

Tables 1-3

While slower than the statewide average, the Detroit Metro population has had a positive growth of 0.5 percent since 2011.

Population Change (2011-2017)



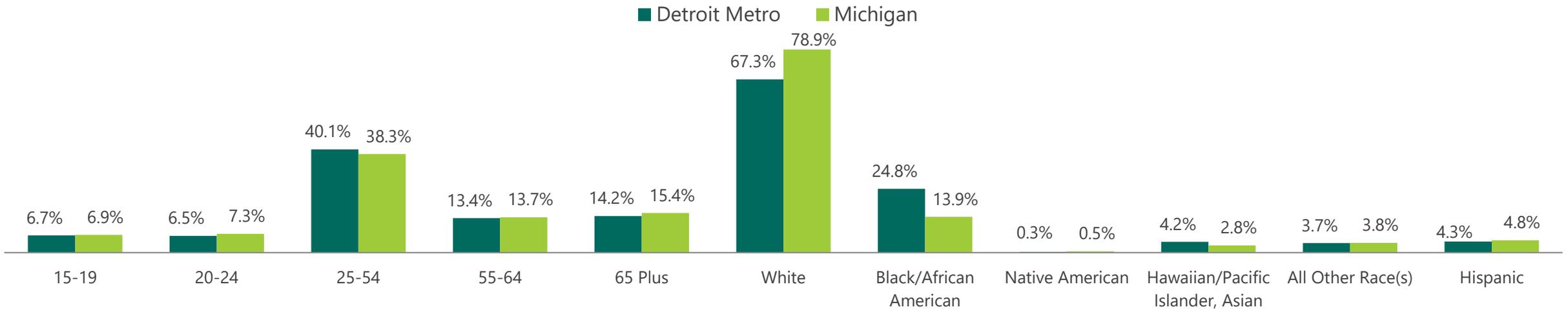
Source: U.S. Census Bureau, Annual Population Estimates

- In 2017, the U.S. Census Bureau showed that the Detroit Metro Prosperity Region population was 3,875,827; an increase of nearly 18,800 people, or 0.5 percent, since 2011 and an increase of over 8,700 people since 2015. **(Table 1)**
- While regional growth continues to stay on trend, it is still slower than the state where Michigan as a whole experienced a 0.9 percent gain in residents, a total of nearly 86,100 residents. **(Table 1)**
- There was population growth in Macomb and Oakland counties, nearly 27,800 people and 39,500 people respectively, but the loss of nearly 48,500 people in Wayne County offset even further expansion in the region, overall. **(Table 1)**

Share of population that is of prime-working age is higher than the state average.

- According to the 2012-2016 U.S. Census estimates, the Detroit Metro Prosperity Region had a higher share of population in prime working age than the rest of the state, but had a smaller share in every other age demographic. Considering that population growth has been flat over the same period, the larger share of prime working age residents may be due to current residents aging into the category rather than new people moving into the region. **(Table 2)**
- There were 130,000 more females than males in the region. Additionally, there were 1,273,800 (33 percent) residents in the Detroit Metro region who are not within the White race category. **(Table 2)**

Population by Age and Race/Ethnicity

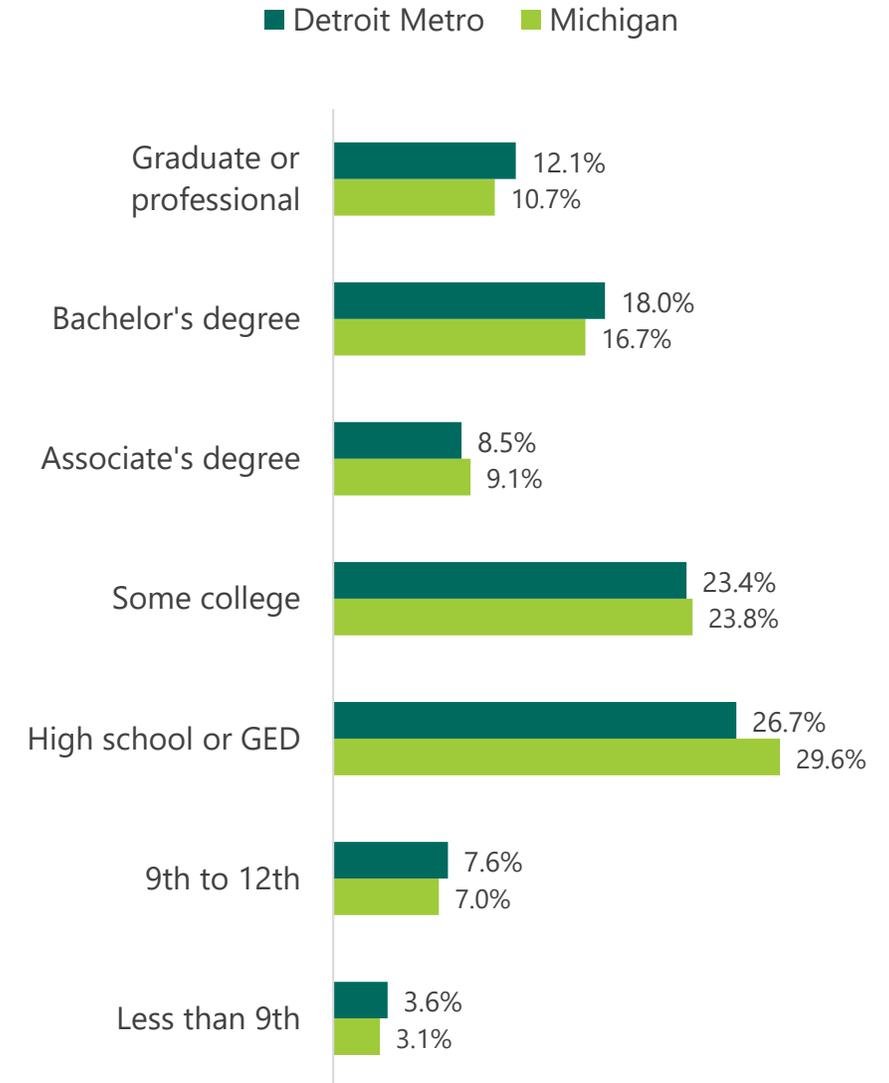


Source: U.S. Bureau of the Census, 2012-2016 American Community Survey Five-Year Estimates

Detroit Metro residents hold more bachelor's and advanced degrees than the state average.

- A region's educational attainment is based on the education levels of residents 25 and older. The Detroit Metro Prosperity Region has a higher proportion of college educated residents than the state, with a total of 30 percent holding a degree in the region versus 27 percent statewide. **(Table 3)**
- Conversely, a higher share of residents also do not have a high school diploma as compared to the state: 12 percent to 10 percent, respectively. **(Table 3)**

Educational Attainment

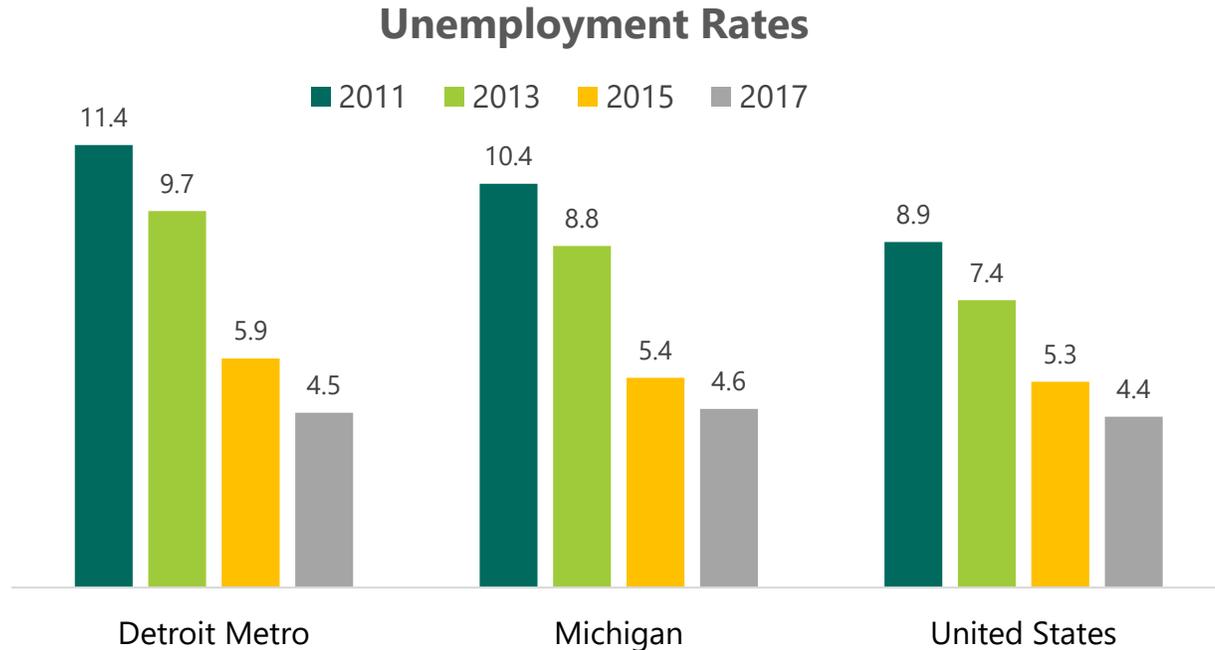


Source: U.S. Bureau of the Census, 2012-2016 American Community Survey Five-Year Estimates

Labor Force and Employment Trends and Characteristics

Tables 4-7 and 12

Unemployment rate has declined significantly in Detroit Metro since 2011.



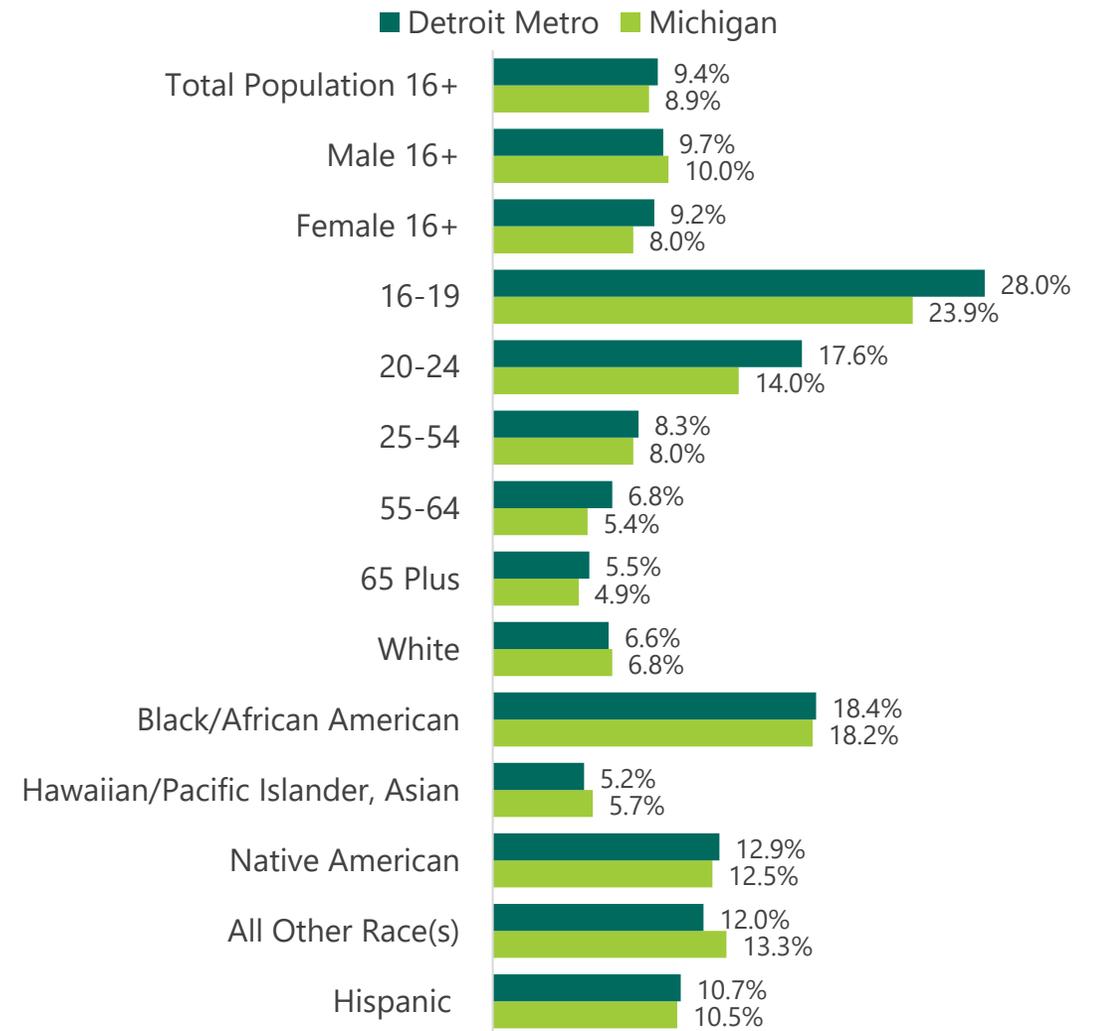
Source: DTMB, Bureau of Labor Market Information and Strategic Initiatives, Local Area Unemployment Statistics (LAUS)

- The unemployment rate in the Detroit Metro region, following state and national trends, dropped significantly between 2011 and 2015. By 2017 the total drop was 6.9 percentage points, leaving the region's unemployment rate slightly above the national rate and below the statewide rate. **(Table 6)**
- Since 2011, the number of unemployed individuals dropped by nearly 119,700, or 59 percent, in the region, while the number of employed has increased by 218,600, or 13.7 percent. **(Tables 5 and 12)**
- The size of the labor force in the region has increased by nearly 98,900, or 5.5 percent since 2011. This is a greater increase than those experienced by the state and national trends, 4.2 percent and 4.4 percent, respectively. **(Table 4)**

Regional jobless rates are elevated for youth and young adults and minority groups.

- According to estimates from the U.S. Census Bureau, there were slightly more males than females participating in the Detroit Metro labor market. While the unemployment rate for males was higher than females, this difference was less than that in the state overall. **(Table 7)**
- Almost every demographic category in the region had an unemployment rate higher than the state. Nearly a third of labor force participants aged 16-19 were unemployed, 4.1 percentage points higher than the state. Those aged 20-24 also had a significantly higher rate of unemployment as compared to the state with a 3.6 percentage point difference. **(Table 7)**
- Nearly all of the race/ethnicity categories had a higher unemployment rate in the region than the statewide average, with the exception of individuals in the following racial/ethnic categories: White, Hawaiian/Pacific Islander, Asian, and All Other Race(s). **(Table 7)**

Unemployment Rates by Sex, Age, and Race/Ethnicity



Source: U.S. Bureau of the Census, 2012-2016 American Community Survey Five-Year Estimates

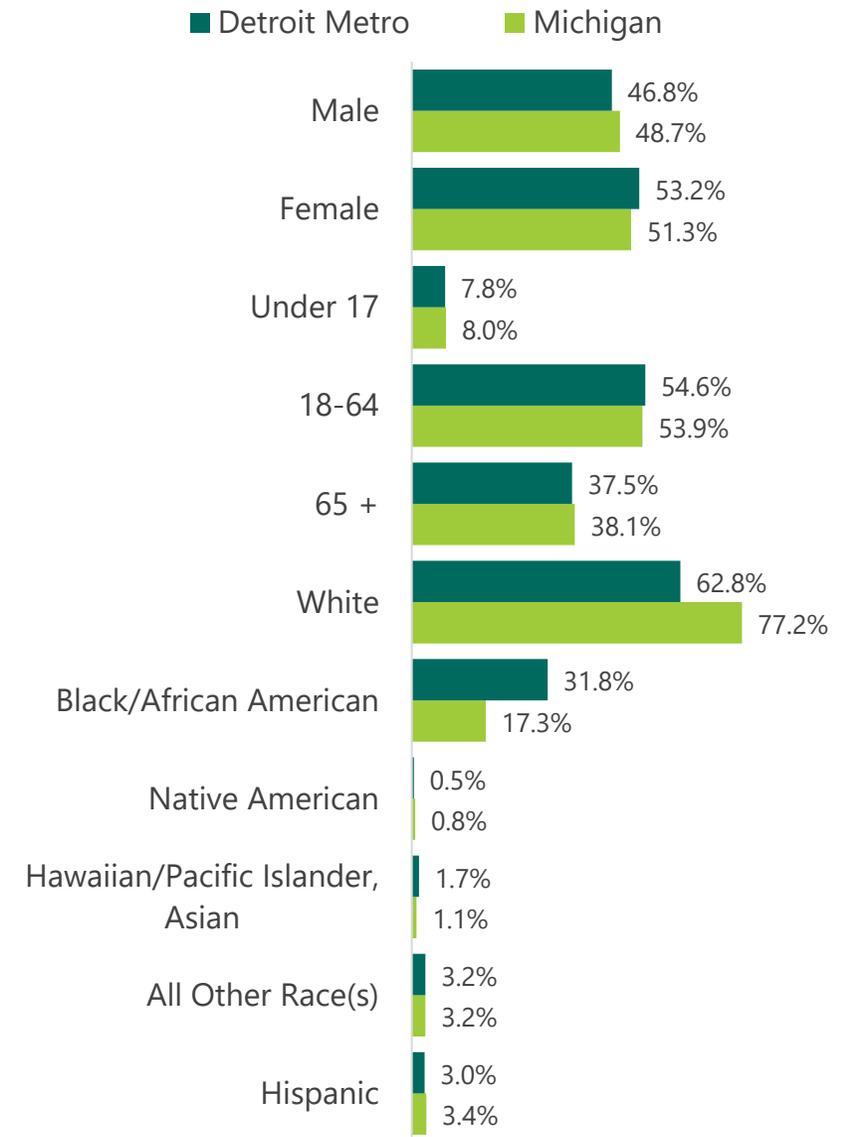
Individuals with Barriers to Employment

Tables 28-36

Individuals with a disability see higher jobless rates and lower labor force participation.

- Based on 2012-2016 data from the U.S. Census Bureau, approximately 545,000 people in the Detroit Metro Prosperity Region had a disability. More female residents had a disability than males compared to the state, and the racial distribution of those with a disability reflected the racial distribution of the overall population in the region. **(Table 28)**
- The labor market status of persons with a disability has improved in Michigan over the past two years (2014-2016), as the economy of the state continues to recover. The labor force participation rate advanced by two percentage points to 25 percent. The unemployment rate reduced by four percentage points, from 16 percent in 2014 to 12 percent in 2016. And the ratio of the employed over the total number of people eligible for work (16 years of age and above) substantially increased by over 2 percentage points to 22 percent. **(Unified State Plan)**

Individuals with a Disability

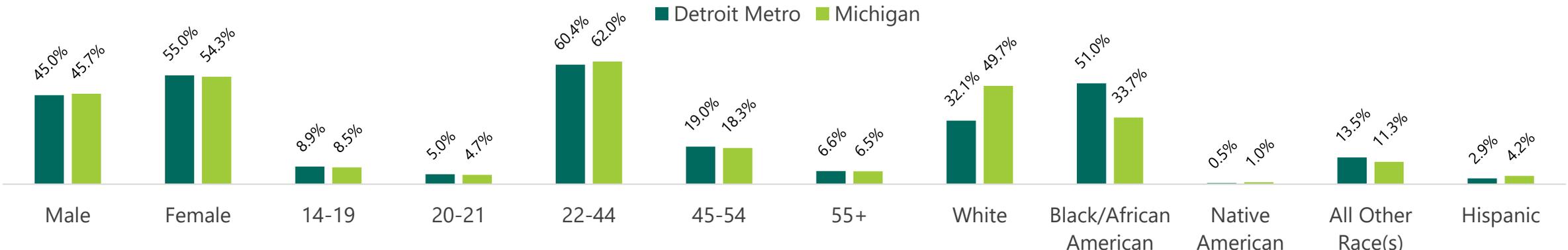


Source: U.S. Bureau of the Census, 2012-2016 American Community Survey Five-Year Estimates

Assistance program recipients are concentrated in the working age and African American demographic.

- According to the Michigan Department of Health and Human Services, there were about 202,200 assistance program recipients in the Detroit Metro Prosperity Region in June 2017. **(Table 30)**
- The vast majority of recipients were in prime working age of 22 to 44, but represented a smaller share of recipients as compared to the state. **(Table 30)**
- A majority of recipients were African American (51 percent), and the share of White recipients was considerably lower than the statewide average. **(Table 30)**

Assistance Program Recipients by Sex, Age, and Race/Ethnicity

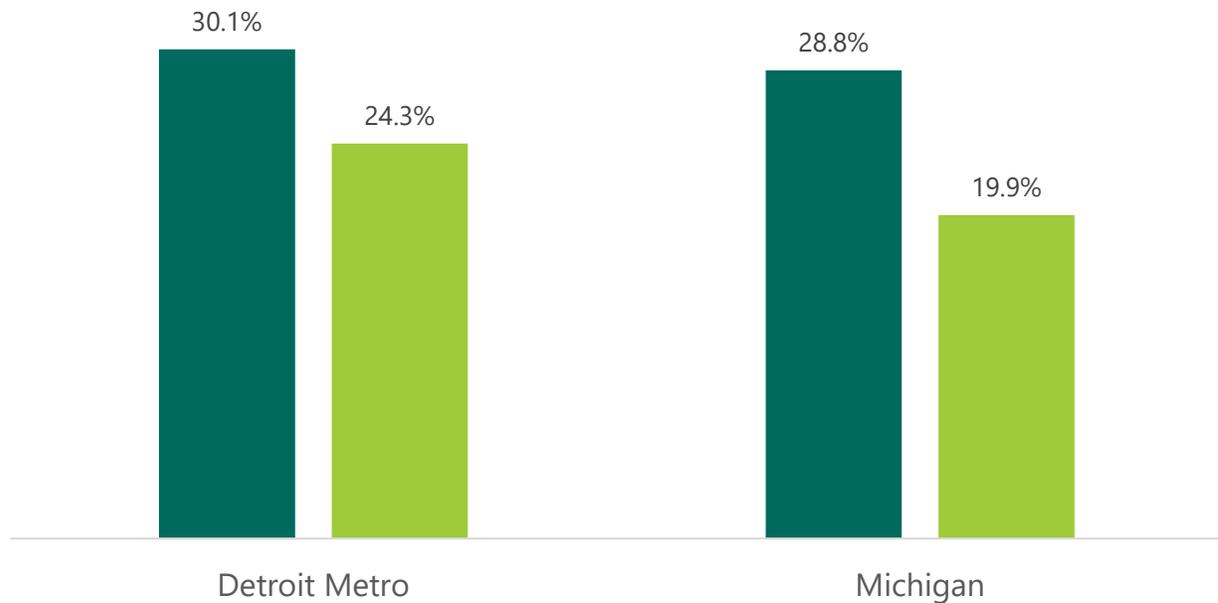


Source: Michigan Department of Health and Human Services

Long-term joblessness in Detroit Metro remains above Michigan's average by 2017.

Percentage Long-Term Unemployed of Total Unemployed

■ 2015 ■ 2017



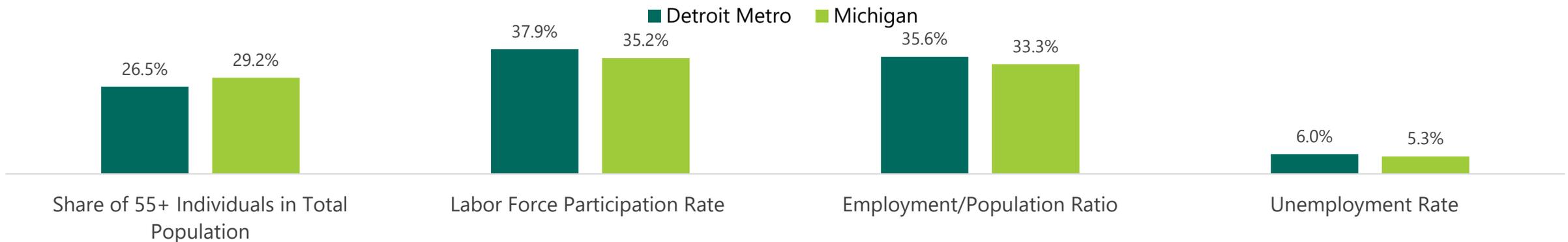
Source: DTMB, Bureau of Labor Market Information and Strategic Initiatives

- While the number of long-term unemployed workers has remained high, there has also been a significant recovery. The share of individuals out of work, or those who have been unemployed for 27 weeks or more, in the Detroit Metro region dropped from 50 percent in 2010 to 30 percent in 2015, and finally to 29 percent in 2017. **(Table 34)**
- The decline in long-term unemployment has been slower in the Detroit Metro region than it has been statewide. The statewide share of long term unemployed workers in 2010 was about 50 percent, dropping significantly to 20 percent in 2017, a 30 percentage point difference, while the Detroit Metro region made a smaller recovery of a 21 percentage point decrease. **(Table 34)**

Individuals who are 55+ in Detroit Metro region remain more active than the statewide average.

- The number of individuals who are 55 and older, contributed a significantly smaller share to the Detroit Metro population than the state. While the statewide population of this age group was 29 percent, Detroit Metro was at 27 percent. **(Table 35)**
- In the Detroit Metro region, the labor force participation rate for residents who are 55 years and older was higher than the statewide rate by nearly 3 percentage points. Among all individuals in this age group, 35 percent were employed in the region compared to the 33 percent statewide.
- The unemployment rate of individuals who are 55 and older in Detroit Metro is 6 percent, slightly higher than the statewide rate of 5.3 percent. **(Table 35)**

Labor Force Status of Individuals Ages 55+

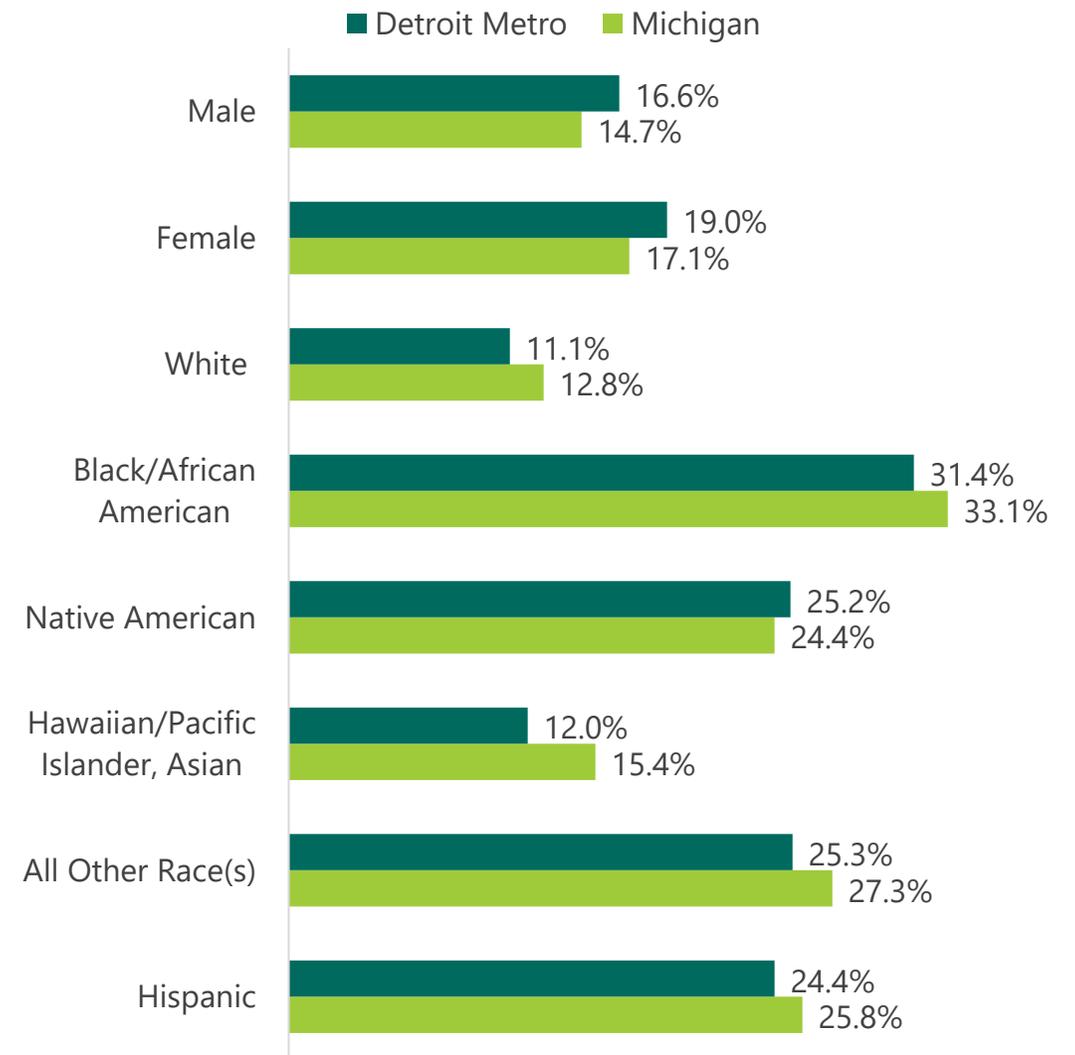


Source: U.S. Bureau of the Census, 2012-2016 American Community Survey Five-Year Estimates

18 percent of Detroit Metro residents are below the poverty line, slightly above the statewide rate.

- In 2016, the U.S. Census Bureau estimated that 688,500 individuals (or 18 percent of the population) lived below the poverty line in the Detroit Metro region, about 2 percentage points above the state poverty rate. **(Table 36)**
- African Americans, individuals classified in the All Other Race(s) category, Native Americans, and Hispanics had the highest poverty rates out of all other race/ethnic groups, respectively. **(Table 36)**
- The share of women living in poverty was slightly higher than that of men in both Michigan and the Detroit Metro region. **(Table 36)**

Poverty by Sex and Race/Ethnicity



Source: U.S. Bureau of the Census, 2012-2016 American Community Survey Five-Year Estimates

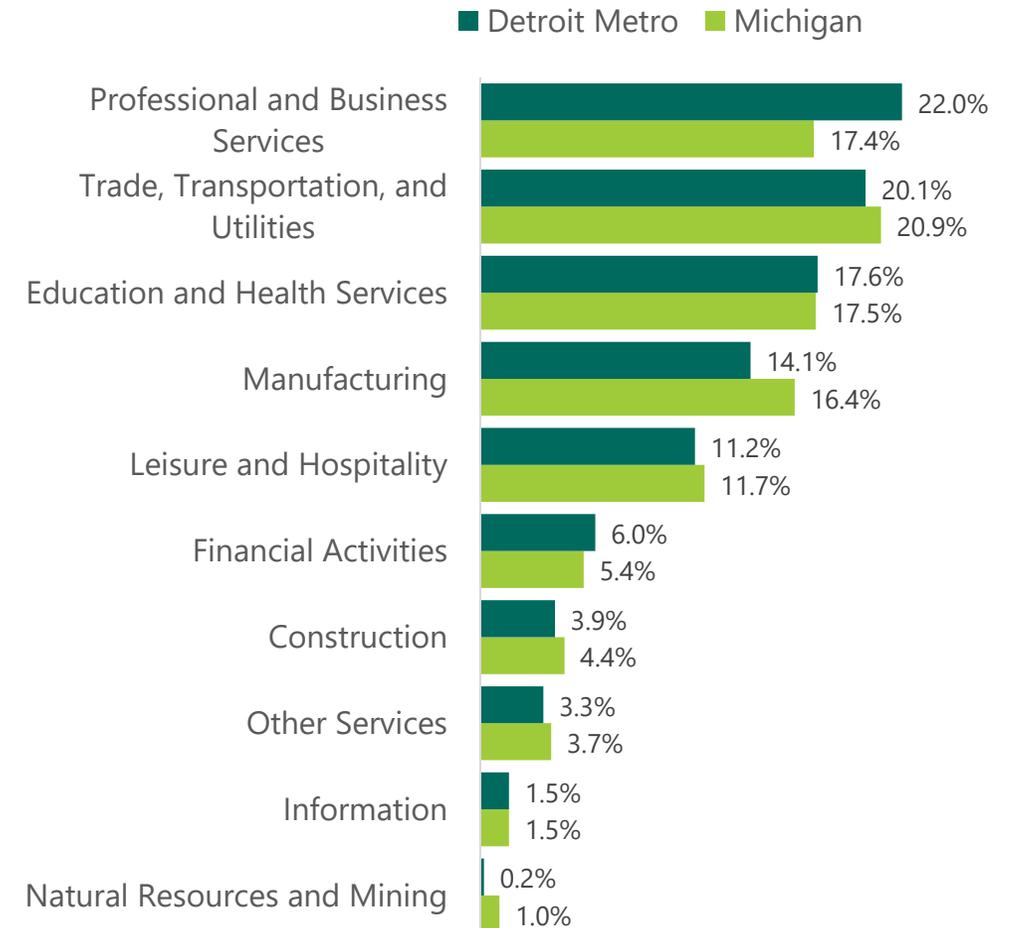
Existing and Emerging In-Demand Industry Sectors and Occupations

Tables 8-11 and 17-26

Over 80 percent of the region's jobs are concentrated in five major industries.

- Much like two years ago in 2015, in the 2nd Quarter of 2017, the *Professional and business services* industry continued to have the largest contribution of total private employment in the Detroit Metro Prosperity Region, almost 5 percentage points higher than the statewide share. **(Table 8)**
- Other large contributors to the region's employment include *Trade, transportation, and utilities* (20 percent), *Education and health services* (17 percent), and *Manufacturing* (14 percent). These three industry groups were also the largest contributors to employment in 2015. **(Table 8)**
- Overall, private industry employment distribution in the Detroit Metro continues to mirror the statewide distribution. **(Table 8)**

Distribution of Industry Jobs, 2nd Quarter 2017

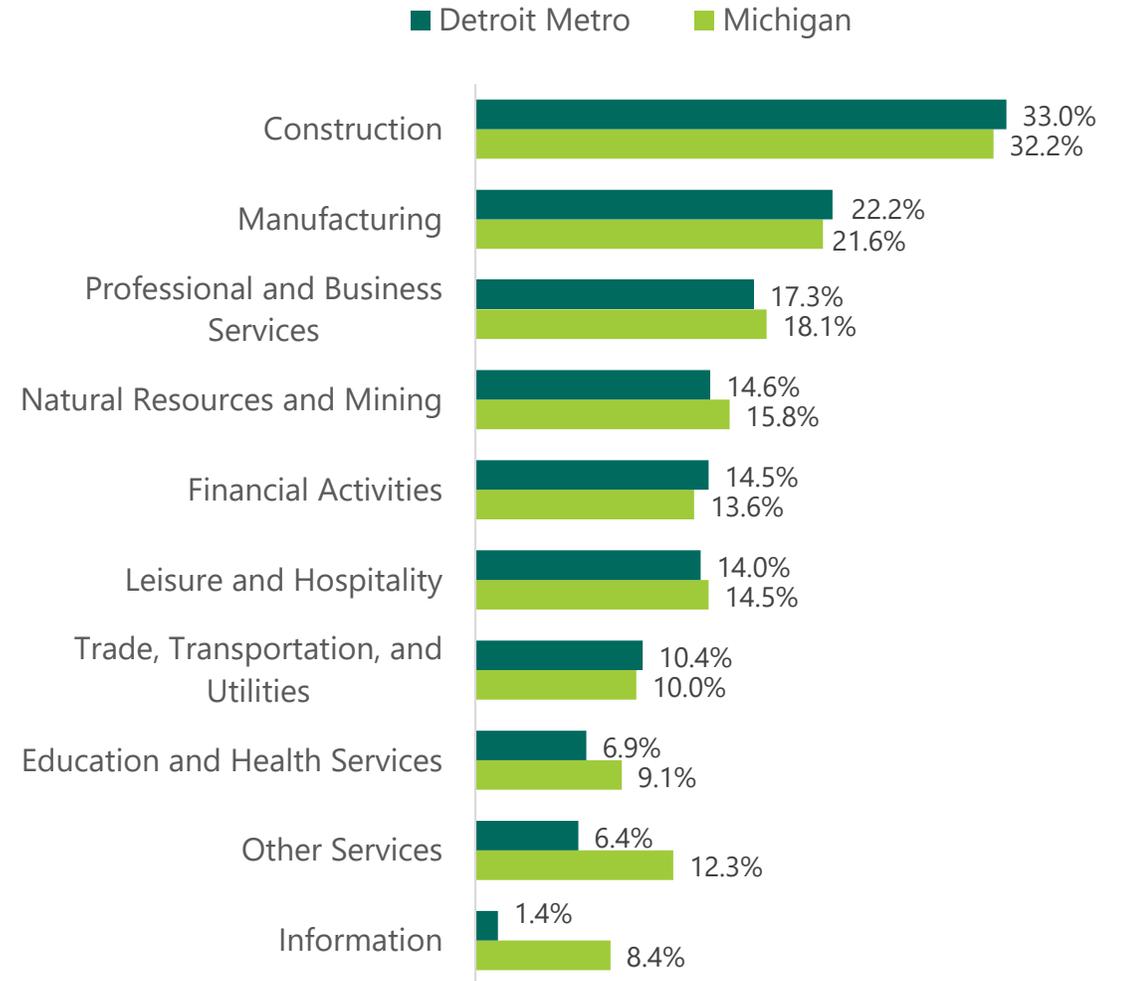


Source: DTMB, Bureau of Labor Market Information and Strategic Initiatives, Quarterly Census of Employment and Wages (QCEW)

Private sector jobs grow by 14 percent between 2011 and 2017.

- Detroit Metro saw private sector jobs expand by nearly 197,200, or 14 percent, since 2011, mostly due to substantial job growth in *Construction, Manufacturing, and Professional and business services*. **(Table 8)**
- Since 2015, *Construction* has overtaken *Professional and business services* as the leader in private sector job growth in the region with employment increasing by 10 percent over a 2 year period. **(Table 8)**
- There was notable growth in all sectors since 2011, yet private sector job growth in *Information* was nearly stagnant adding only 330 jobs, or 1.4 percent, over the 6 year time period. **(Table 8)**

Private Sector Job Trends



Source: DTMB, Bureau of Labor Market Information and Strategic Initiatives, Quarterly Census of Employment and Wages (QCEW)

Online job postings reach 73,200 in 2nd Quarter 2017.

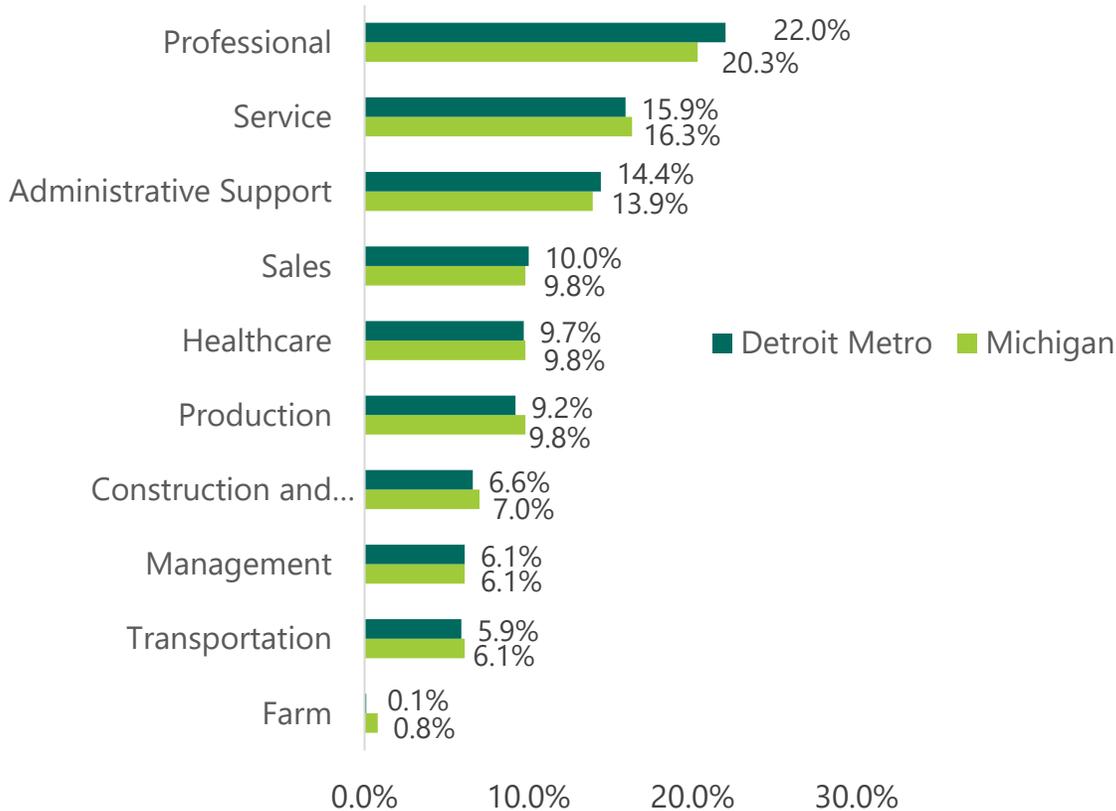
Online Advertised Job Postings – Detroit Metro	
Job Title	Number
Registered Nurses	5,071
Industrial Engineers	2,768
Mechanical Engineers	2,148
Heavy and Tractor-Trailer Truck Drivers	1,170
Retail Salespersons	1,672
First-Line Supervisors of Retail Sales Workers	1,542
Software Developers, Applications	1,823
Computer Systems Analysts	1,139
Customer Service Representatives	1,117
Management Analysts	603

Source: The Conference Board, Help Wanted Online Database

- In the 2nd Quarter of 2017, there were nearly 73,200 online advertised job postings in the Detroit Metro region, according to the Conference Board’s Help Wanted Online Database. **(Table 17)**
- A bulk of the reported advertised jobs were concentrated in industries like *Healthcare practitioners and technical* (16 percent), *Computer and mathematical* (12 percent), and *Architecture and engineering* (10 percent). **(Table 18)**
- The top three advertised job postings in the Detroit Metro region were *Registered nurses* (6.9 percent of total jobs), *Industrial engineers* (3.8 percent), and *Mechanical engineers* (2.9 percent). **(Table 18)**
- The substantial recovery of the automotive industry since the Great Recession expanded the demand for workers in engineering and professional careers in this region. Additionally, requirements of the top advertised jobs held higher educational requirements than those statewide, many requiring a bachelor’s degree as a base requirement.

The distribution of jobs in the Detroit Metro is projected to resemble the statewide spread in 2024.

Projected 2024 Distribution of Jobs by Broad Occupational Groups

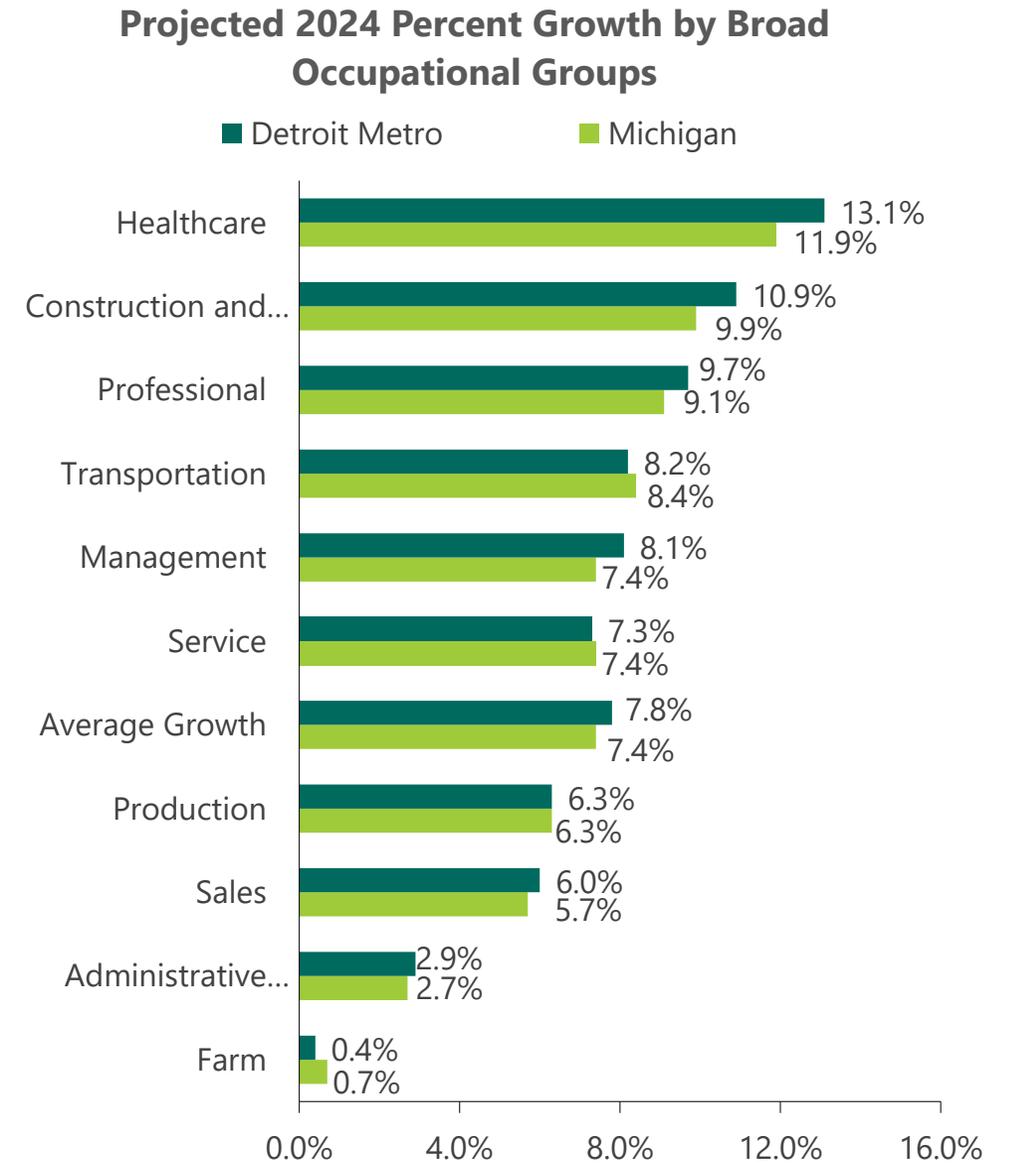


Source: Bureau of Labor Market Information and Strategic Initiatives

- The share of total employment for occupational groups in 2014 and 2024 are expected to change little, while occupational groups that are on top are expected to remain as such by share of total employment.
- The *Professional* occupational group is the largest group in the region with 22 percent (state: 20 percent) of total jobs. It includes a diverse set of jobs, such as business, computer, technical, science, social service, and education positions. **(Table 19)**
- Through 2024, the *Services* occupational group, nearly 16 percent (state: 16.3 percent), is projected to be the second largest category in terms of total jobs. **(Table 19)**
- *Administrative support*, third in size contributes about 14 percent (state: 14 percent) of the regions employment. This occupational group includes some of the largest single occupations such as bookkeepers, secretaries and office clerks. **(Table 19)**

Healthcare, Construction, and Professional occupations are projected to have the highest percent growth through 2024.

- Employment in all occupational groups in the Detroit Metro Prosperity Region are projected to exhibit similar growth behavior as the statewide average through 2024.
- Three broad groups of occupations are expected to create almost half of the new jobs in the Detroit Metro area.
 - *Healthcare* occupations are projected to have the largest percentage growth in the region at 13 percent, or 22,400 jobs, surpassing the statewide average of 12 percent through 2024. **(Table 19)**
 - *Construction and repair* is expected to be the second-fastest growing occupational group, but because of its relatively smaller size, this group will add 13,000 new jobs to the areas workforce, making it the fourth largest contributor of new jobs. **(Table 19)**
 - The *Professional* occupational group in the Detroit Metro is projected to grow by 10 percent, rising by 12,500 jobs, making it the third largest percent growth through 2024. **(Table 19)**



Source: Bureau of Labor Market Information and Strategic Initiatives

Occupations with larger employment base create more openings out of the need to replace workers.

- In general, the top several occupational groups will add the most jobs simply because of their size, but some of these job categories also have above average rates of growth.
- In the Detroit Metro region, about 26 percent of annual openings are expected to come from employment expansion (about 3 percentage points above statewide share), while the remaining 73 percent will be from the need to replace workers that leave their positions for various economic reasons (e.g., retirement, out-migration, etc.). **(Table 20)**
- The largest occupational group is Professional occupations with 12,500 total openings. More than two-thirds of those openings, about 8,500 jobs, are due to the need for replacement, while the remainder can be attributed to growth in that occupation. **(Table 20)**

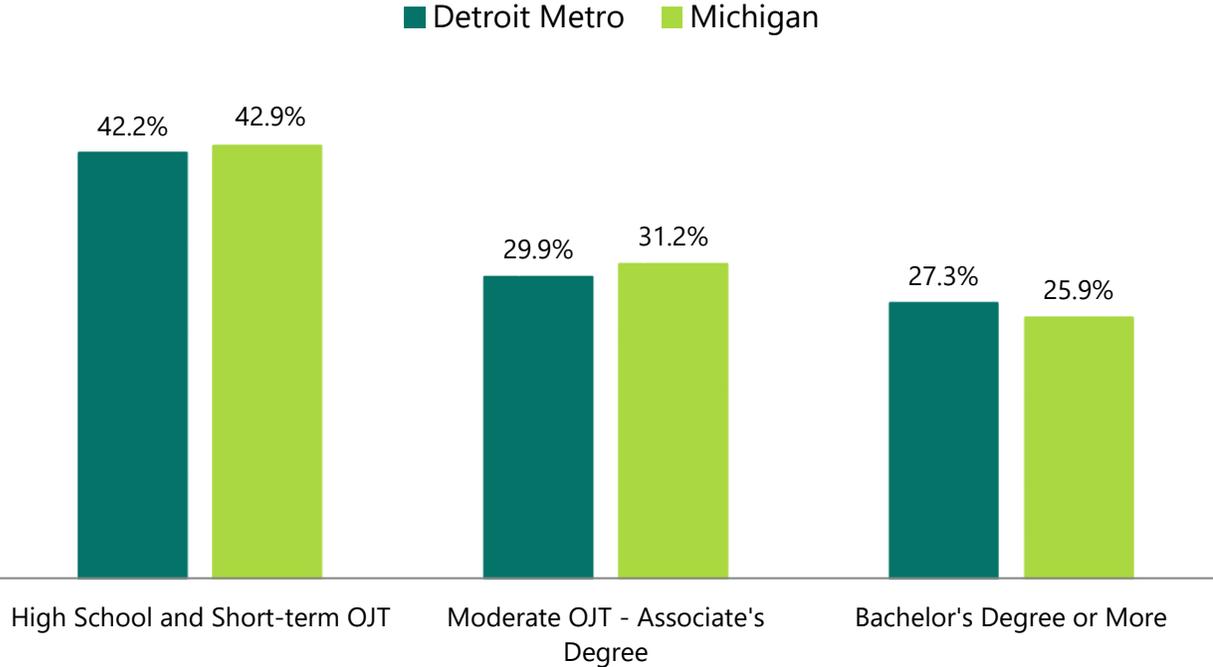
Projected Annual Openings by Broad Occupational Groups (2014-2024)



Source: Bureau of Labor Market Information and Strategic Initiatives

More jobs in Detroit Metro are projected to require a bachelor's degree than the state average.

Projected 2024 Occupational Employment by Education (Share of Total)

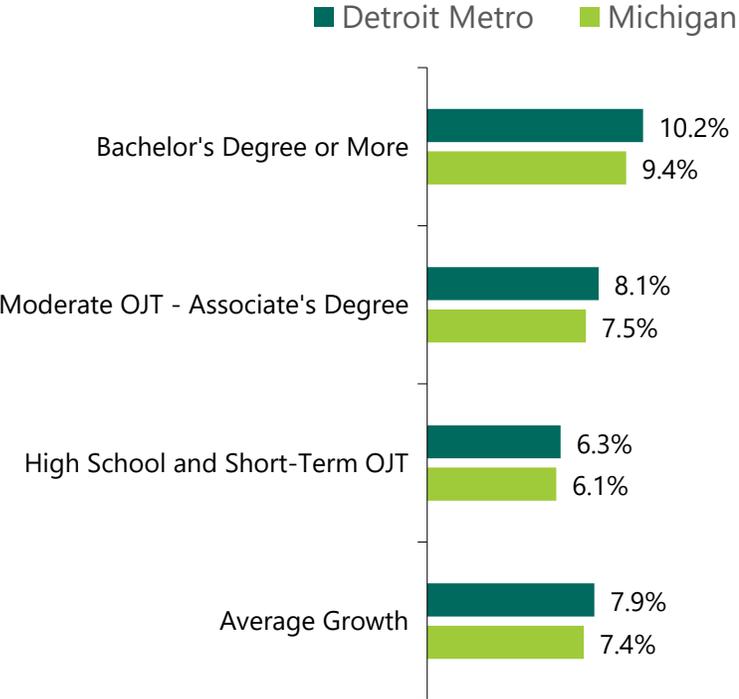


Source: Bureau of Labor Market Information and Strategic Initiatives

- Between 2014 and 2024, the distribution of regional jobs by required education and training will remain virtually unchanged. Projected changes amount to less than one percent each.
- By 2024, over 40 percent of Detroit Metro jobs will still need only a high school diploma or less, with short-term to no on-the-job training. These occupations have a large employment base and will have many positions available annually through the need to replace workers.
- Nearly 30 percent of the area's jobs will require an associate's degree, a post-secondary training program, some college with no degree, or a high school diploma or less accompanied with an extended period (six months or more) of apprenticeship and/or on-the-job training. Many *Healthcare* and *Construction and repair* careers are in this group and provide prospective trainees with opportunities for increased demand and high wages relative to required training through 2024.
- Positions requiring a bachelor's degree or more are projected to comprise over a quarter of regional jobs in 2024, more than what is projected for the state.

Faster projected 2024 growth in the Detroit Metro than statewide for every educational group.

Projected 2024 Occupational Growth by Education



Source: Bureau of Labor Market Information and Strategic Initiatives

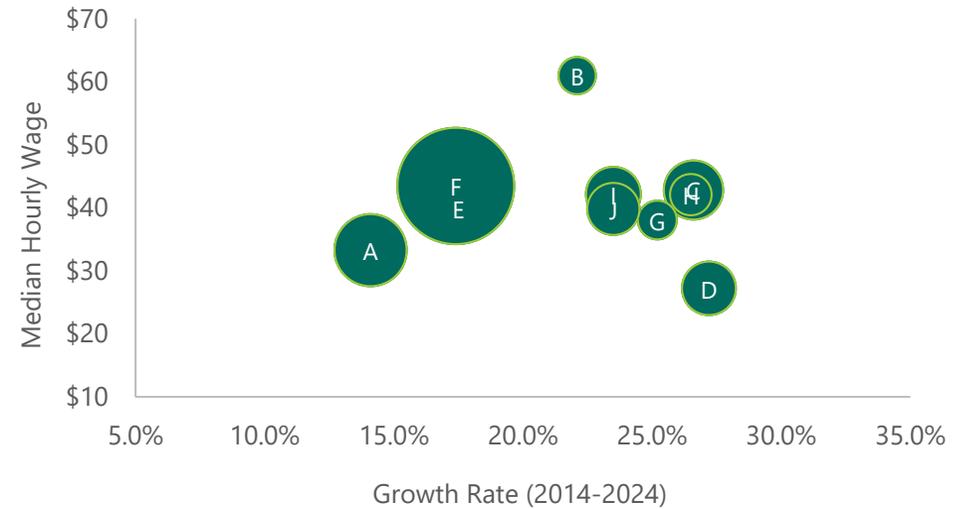
Occupations requiring a bachelor's degree or more is projected to exceed the regional average growth rate by 2.3 percentage points through 2024, driven by demand for new graduates and experienced degree holders. This category includes STEM occupations as well as higher-skilled health care professions such as *Physical therapists*.

- Positions requiring at most short-term on-the-job training are projected to grow at a rate slower than the regional average and nearly 4 percentage points slower than those requiring a bachelor's degree, but close in line with state growth in the same category.
- Occupations that require an associate's degree or six months of on-the-job training are projected to slightly outpace average growth in the region. Demand in occupations requiring on-the-job training are projected to contribute more to growth in this category than occupations requiring an associate's degree with no on-the-job training.

Jobs requiring post-secondary education are among the region's high-demand, high-wage occupations with few skilled trades.

- High-demand, high-wage occupations are jobs that demonstrate a favorable mix of long term job growth, annual openings from both growth and replacement, and median wages.
- The size of the bubble on the chart represents the total number of projected annual openings. As illustrated, *Computer and information systems managers* (occupation B) will have a relatively low annual openings, but a high median hourly wage. Occupations like *Management analysts* and *Mechanical engineers* (occupations E and F) have the highest annual openings.
- Levels of pay are directly correlated with the level of formal education and/or the length of job training or apprenticeship, driving a trend of higher-training occupations appearing on the list of high-demand, high-wage occupations. (Tables 24-27)

Annual Openings, Growth Rate, and Hourly Wage for High-Demand, High-Wage Occupations



	Occupation		Occupation
A	Accountants and Auditors	F	Mechanical Engineers
B	Computer and Information Systems Managers	G	Personal Financial Advisors
C	Computer Systems Analysts	H	Physical Therapists
D	Industrial Machinery Mechanics	I	Software Developers, Applications
E	Management Analysts	J	Software Developers, Systems Software

Source: Bureau of Labor Market Information and Strategic Initiatives

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